



TELECOMMUNICATIONS MARKET SNAPSHOT: CHILE

Key Statistics

Population	16,888,760 (July 2011 est.)
GDP	\$260 billion (2010 est.)
Per capita GDP	\$15,500 (2010 est.)
Main lines	3.575 million (2009)
Teledensity	21% (2008)
Mobile subscribers	19.63 million (2010)
Mobile penetration	110% (2010)
Internet users	7.009 million (2009)
Internet penetration	32% (2008)
Broadband subscribers	1.427 million (2008)
Spending on telecom equipment and services	\$5.96 billion (2010)
U.S. equipment exports to market	\$216 million (2010)

Sources: CIA World Factbook, USITC, WB, Worldwide Black Book, and BMI

Market Overview

In Latin America, Chile is one of the most welcoming telecom markets. The country is characterized by economic strength, well-maintained infrastructure and a business-friendly regulatory environment. Chile is also the leader in the development of telecoms technologies. Despite its mature state and earthquakes which are common in Chile, the mobile market has shown significant growth and resilience. Major players include Movistar with 42.2% of the market, Entel PCS, which was recently awarded a contract to expand mobile services into rural communities, with 35.4%, and Claro 22.3%. The 3G market is dominated by Entel due its early entrance in 2006. Entel has also expressed an interest in LTE technology.

Internet subscription has continued to rise. In the broadband market, Telefónica Chile holds the largest share with 43.4%, followed by VTR GlobalCom with 38.2%, CNT (Telsur) with 5 % and Entel with 1.2%. Telsur was recently acquired by GTD Manquehue, which is also a fibre-optic services provider, from conglomerate Empresas Quiñenco. In 2007, WiMAX technology was deployed by Telmex Chile, which also recently acquired ZAP TV to launch triple-play services. In 2008, the government subsidized Digital Infrastructure for Competition and Innovation project sought to expand broadband coverage into rural areas by providing subsidies from the Telecommunications Development Fund. Inverca Telecom won the bid, but has not begun the project as of February 2011.

The fixed-line market has begun to decline, although the growth in pay TV and broadband has partially offset this fall. It is also worth noting that the recent earthquake has had a negative effect on fixed-line infrastructure. Telefónica Chile, VTR GlobalCom CNT (TelSur) and Entel serve the majority of the market.

Telecom Trade Agreements

WTO

Chile has made commitments covering both basic and value-added telecom services in the World Trade Organization (WTO). For a list of the country's commitments, go to http://www.wto.org/english/tratop_e/serv_e/telecom_e/telecom_commit_exempt_list_e.htm.

Chile is not a signatory to the WTO Information Technology Agreement, which completely eliminates duties on a variety of info-communications technology products by January 2000.

Leading Service Providers

Claro

www.clarochile.cl/

Telefonica del Sur (Telsur)

www.telefonicadelsur.cl/

Entel

www.entel.cl/

Movistar

www.movistar.cl/

Telefónica Chile

www.telefonicachile.cl/

VTR GlobalCom

www.vtr.com

Contacts

Regulatory

Ministerio de Transportes y Telecomunicaciones (MTT)

www.mtt.cl/

Subsecretaría de Telecomunicaciones (Subtel)

www.subtel.cl/

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